

FEBRUARY 4, 2005

NOTICE

The recessed meeting of the **Finance Labor Subcommittee** of the Board of Commissioners of Cook County will reconvene on **Wednesday, February 9, 2005** at the hour of **12:30 PM** in the Board Room, Room 569, County Building, 118 North Clark Street, Chicago, Illinois to consider the following:

269193 RESOLUTION TO INCREASE EMPLOYEE HEALTHCARE CONTRIBUTIONS (PROPOSED RESOLUTION). Submitting a Proposed Resolution sponsored by Gregg Goslin and Mike Quigley, County Commissioners. Co-Sponsored by Peter N. Silvestri, Elizabeth Ann Doody Gorman and Anthony J. Peraica, County Commissioner.

PROPOSED RESOLUTION

RESOLUTION TO INCREASE EMPLOYEE HEALTHCARE CONTRIBUTIONS

WHEREAS, Cook County employees enjoy excellent healthcare as part of their benefits package; and

WHEREAS, Cook County employees have for years received these stellar health benefits at rates far below other governments and private industry; and

WHEREAS, Cook County currently has 26,357 employees and 37,176 dependents enrolled in the County's health insurance program; and

WHEREAS, ever-increasing healthcare costs in conjunction with stagnant employee contributions has had the unintended effect of increasing the already generous employee benefits package; and

WHEREAS, since 2000, the County's cost of health benefits per employee has increased 45%; and

WHEREAS, according to the Cook County Cost Control Task Force the general practice of most employers is to set minimal employee healthcare contributions at 20 percent of premium costs for employees and 30 percent for dependent coverage; and

WHEREAS, Cook County employees' average contributions are four percent for employees and two percent for dependent coverage; and

WHEREAS, budget shortfalls have made it necessary to address the issue of increasing employee healthcare contributions and bring them in line with other reasonable employee contribution plans; and

WHEREAS, in FY2004 all non-union employees with yearly salaries of \$65,000 and above were required to increase their monthly health insurance contributions to .7% of their salaries for single employee coverage, 1.4% for family HMO coverage and 1.5% for family PPO coverage.

NOW, THEREFORE, BE IT RESOLVED, that the Cook County Board of Commissioners does hereby expand the County's employee healthcare contributions plan to .7% for single employee coverage, 1.4% for dependent HMO coverage and 1.5% for dependent PPO coverage for all full-time employees; and

BE IT FURTHER RESOLVED, that the County Administration's negotiation teams are hereby directed to include the new employee healthcare contributions plan in the collective bargaining process and that the Cook County Board of Commissioners will implement this plan immediately for non-union employees upon passage of this Resolution.

***Referred to the Committee on Finance Labor Subcommittee on 01/20/05.**

269194

RESOLUTION TO MODERNIZE THE COUNTY COMPENSATION SCHEDULE (PROPOSED RESOLUTION). Submitting a Proposed Resolution sponsored by Gregg Goslin and Mike Quigley, County Commissioners. Co-Sponsored by Peter N. Silvestri, Elizabeth Ann Doody Gorman and Anthony J. Peraica, County Commissioners.

PROPOSED RESOLUTION

RESOLUTION TO MODERNIZE THE COUNTY COMPENSATION SCHEDULE

WHEREAS, Cook County employees receive annual step increases for the first five years of their employment and step increases every two years thereafter and employees also receive annual or semi-annual cost of living adjustments (COLAS); and

WHEREAS, the average yearly step increase is approximately 4.5 percent and the average COLA is approximately 3 percent; and

WHEREAS, the total annual increase of 7.5 percent is significantly higher than the national average for the U.S. workforce of 3.5 percent; and

WHEREAS, taxes generate 44.5% of Cook County's revenues; and

WHEREAS, Cook County's annual step increase cost taxpayers approximately \$26 million per year and the average COLA costs taxpayers approximately \$39 million per year; with the average year costing taxpayers an additional \$65 million per year for wage increases alone; and

WHEREAS, a modification of our salary system will provide job security at a time when other local government entities have resorted to layoffs; and

WHEREAS, Cook County faces a short-term fiscal crisis in eliminating a \$73 million budget gap in FY2005 as well as a larger long-term problem: how to make Cook County government operate more cost effectively and efficiently without resorting to new or increased taxes; and

WHEREAS, because of the lapse in current contracts, now is the time to re-structure our employee compensation schedule for current employees as well as new hires.

NOW, THEREFORE, BE IT RESOLVED, that the County Administration's negotiation teams are hereby directed to eliminate the automatic annual step increases for employees in the collective bargaining process; and

BE IT FURTHER RESOLVED, that the Cook County Board of Commissioners will implement this plan for all non-union employees immediately upon passage of this Resolution.

***Referred to the Committee on Finance Labor Subcommittee on 01/20/05.**

Michelle Harris, Secretary

Chairman: Murphy
Vice-Chairman: Moreno
Members: Butler, Gorman, Hansen, Maldonado, Sims